

5929 Balcones Drive, Suite 200 Austin, TX 78731-4280 Phone: 512.343.2544

Fax: 512.343.0119

REDACTED - FOR PUBLIC INSPECTION

VIA ECFS

July 1, 2014

Ms. Marlene H. Dortch, Secretary Federal Communications Commission Office of the Secretary 445 12th Street, S.W. Washington, D.C. 20554

RE: <u>REQUEST FOR CONFIDENTIAL TREATMENT</u> – Connect America Fund, WC Docket No. 10-90; Lifeline and Link Up Reform and Modernization, WC Docket No. 11-42

Request that Information Submitted to the Commission be Withheld from Public Inspection Pursuant to 47 C.F.R. §0.459 and 5 U.S.C. §552(b)(4): Five-Year Service Quality Improvement Plan included in FCC Form 481

Confidential Financial Information – Subject to Protective Order in WC Docket Nos. 10-90, 07-135, 05-337, 03-109, CC Docket Nos. 01-92, 96-45, GN Docket No. 09-51, WT Docket No. 10-208, Before the Federal Communications Commission

Dear Ms. Dortch:

In accordance with the annual reporting requirements of 47 C.F.R. §§54.313 and 54.422, Cumby Telephone Cooperative, Inc. (the Cooperative), Study Area Code 442065, is submitting a completed FCC Form 481 to the Commission via its Electronic Comment Filing System (ECFS) in WC Docket Nos. 10-90 and 11-42. The Cooperative, by its authorized representative, hereby requests confidential treatment of two attachments to its FCC Form 481: (1) the five-year service quality improvement plan and (2) the financial annual report, both of which were redacted in the ECFS submission. The request for confidential treatment of the five-year plan is being made pursuant to section 0.459 of the Commission's rules and Exemption 4 of the Freedom of Information Act (FOIA). The request for confidential treatment of the financial annual report is being made pursuant to the FCC's November 16, 2012 *Protective Order* in WC Docket No. 10-90 *et al.* These attachments contain competitively sensitive data that Cumby Telephone Cooperative, Inc. maintains as confidential and does not normally make available to the public. Release of this information would have a substantial negative impact on the Cooperative.



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Five-Year Service Quality Improvement Plan

Pursuant to section 0.459 of the Commission's rules and Exemption 4 of FOIA, Cumby Telephone Cooperative, Inc. requests that the text and data extracted from its five-year service quality improvement plan be withheld from public inspection because it contains competitively sensitive commercial and financial information that the Cooperative keeps confidential. Public availability of this information would have a substantial negative impact on the Cooperative.

In accordance with Section 0.459 of the Commission's rules, the following information is provided in support of this request:

(1) Identification of the specific information for which confidential treatment is sought:

Attachment to Line 112 of FCC Form 481 – Five-Year Service Quality Improvement Plan. Specifically, confidential treatment is sought for all information in the five-year plan related to the Cooperative's access line counts, existing broadband capabilities, and its network investment plans through 2019 that will improve service quality for its customers.

(2) Identification of the Commission proceeding in which the information was submitted or a description of the circumstances giving rise to the submission:

The information was submitted in WC Docket Nos. 10-90 and 11-42 as an attachment to FCC Form 481- the Carrier Annual Reporting Data Collection Form. Section 100 of FCC Form 481 requires incumbent local exchange carriers receiving high cost support to attach a five-year service quality improvement plan, pursuant to 47 C.F.R. §§54.202(a)(1)(ii) and 54.313(a)(1).

(3) Explanation of the degree to which the information is commercial or financial, or contains a trade secret or is privileged:

The five-year service quality improvement plan contains granular information on the Cooperative's access line counts and existing broadband capabilities as well as detailed plans for financial investments in its network through 2019 to improve service to subscribers. This is closely guarded, privileged information that the Cooperative does not make publicly available.

(4) Explanation of the degree to which the information concerns a service that is subject to competition:

Broadband is subject to increasing competition in the areas served by rural, rate-of-return incumbent local exchange carriers (RLECs). Virtually all RLECs face competition from one or more wireless Internet service providers. Most RLECs also face competition from at least one other wireline broadband provider such as a larger cable company, who will typically seek to "cherry pick" the lower cost portions of the study area. In addition, all RLECs face competition throughout their territories from satellite broadband providers.



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(5) Explanation of how disclosure of the information could result in substantial competitive harm:

Disclosure of the information contained in the five-year plan would provide competitors with detailed, granular information regarding the Cooperative's access line count, its existing broadband capabilities, and its strategic plans for network investments. This would give competitors invaluable confidential information with which to develop their own strategies for investing in the service area, thereby bringing substantial competitive harm to the Cooperative.

(6) Identification of any measures taken by the submitting party to prevent unauthorized disclosure:

The Cooperative has continually treated the extracted information in its five-year plan as confidential and carefully controls the information to protect it from competitors. Access to the information is limited to employees that require it and to non-employees with confidentiality obligations such as lenders, consultants, auditors, and attorneys. In addition, when such information is required to be submitted to a state regulatory authority it has been filed as confidential information, not available to the public.

(7) Identification of whether the information is available to the public and the extent of any previous disclosure of the information to third parties:

The redacted information in the five-year plan is not available to the public, and third party access is limited as described in (6) above.

(8) Justification of the period during which the submitting party asserts that material should not be available for public disclosure:

The Cooperative requests that the extracted information be withheld from public inspection indefinitely. Although the information reflects the Cooperative's service improvement plans for a five year period, it would provide a very useful baseline for competitors for several years beyond that period.

(9) Any other information that the party seeking confidential information treatment believes may be useful in assessing whether its request for confidentiality should be granted:

Exemption 4 of FOIA shields from public disclosure commercial or financial information obtained from a person that is privileged or confidential. Based on the responses provided above, the information in question satisfies this test.

Financial Annual Report

Section 3005 of FCC Form 481 requires a privately-held rate-of-return carrier receiving high cost support to attach a full and complete annual report of the Cooperative's financial condition and operations pursuant to 47 C.F.R. §54.313(f)(2). Cumby Telephone Cooperative, Inc. seeks confidential treatment of its financial annual report pursuant to the November 16, 2012 *Protective Order* in WC Docket No. 10-90, *et al.*¹ The *Protective Order* specifically covers information filed pursuant to 47 C.F.R. §54.313(f)(2).

¹ Connect America Fund et al., WC Docket No. 10-90 et al., Protective Order, DA 12-1857 (rel. Nov. 16, 2012).



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Cumby Telephone Cooperative, Inc. is providing to the Office of the Secretary, under seal, this cover letter and the Form 481 filing which includes the confidential information that is being requested to be withheld from public inspection.

Each page of the five-year service quality improvement plan confidential submission bears the legend, "CONFIDENTIAL – NOT FOR PUBLIC DISCLOSURE."

Each page of the financial annual report confidential submission bears the legend, "CONFIDENTIAL FINANCIAL INFORMATION – SUBJECT TO PROTECTIVE ORDER IN WC DOCKET NOS. 10-90, 07-135, 05-337, 03-109, CC DOCKET NOS. 01-92, 96-45, GN DOCKET NO. 09-51, WT DOCKET NO. 10-208, BEFORE THE FEDERAL COMMUNICATIONS COMMISSION."

Two copies of the Form 481 filing in redacted form and an accompanying cover letter are also being provided with the confidential filing. Each page of the redacted filing and accompanying cover letter is marked "REDACTED – FOR PUBLIC INSPECTION."

Two copies of this cover letter and the Form 481 filing with the confidential information are also being delivered to Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau.

The confidential information has also been submitted to the Universal Service Administrative Company through its E-File system as an attachment to the FCC Form 481.

This cover letter includes no confidential information and the text is the same in both the non-redacted and redacted versions except for the confidentiality markings.

Please contact me if you have any questions.

Sincerely,

Lisa A. McLaughlin

Authorized Representative for Cumby Telephone Cooperative, Inc.

Lise a. M. Laughli

LAM/pjf

Enclosures

cc: Mr. Charles Tyler, Telecommunications Access Policy Division, Wireline Competition Bureau, Federal Communications Commission, (2 hardcopies of non-redacted submission)
Ms. Karen Zimmerman, Cumby Telephone Cooperative, Inc.

FCC For	rm 481 - Carrier Annual Reporting Data Collection Form		ON	C Form 481 //B Control No. 3060-0 y 2013	0986/OMB Control I	No. 3060-0819
<010>	Study Area Code	442065				
<015>	Study Area Name	CUMBY TEL COOP I	NC			
<020>	Program Year	2015				
	Contact Name: Person USAC should contact with questions about this data	Esther Stonaker				
<035>	Contact Telephone Number: Number of the person identified in data line <030>	9039942211 ext.				
<039>	Contact Email Address: Email of the person identified in data line <030>	stonaker@cumbyte	l.com			
ANNUA	AL REPORTING FOR ALL CARRIERS				54.313 Completion Required	54.422 Completion Required
<100>	Service Quality Improvement Reporting		(complete attached worksh	ppt)	(check box who	en complete)
<200>	Outage Reporting (voice)		(complete attached worksh	,	√	✓
<210>		o outages to report	([
<300>	Unfulfilled Service Requests (voice)			L	<u> </u>	
240						11111
<310>	Detail on Attempts (voice)					
				(attach descriptive do	cument)	
						
<320>	Unfulfilled Service Requests (broadband)			1		
~220 <u>></u>	Detail on Attempts (broadband)					
<330>	Detail of Attempts (broadballd)			(attach descriptive d	ocument)	P
<400> <410>	Number of Complaints per 1,000 customers (voice) Fixed O · O					1
<420>	Mobile 0.0					✓
<430>	Number of Complaints per 1,000 customers (broads	oand)			✓	111111
<440> <450>	Fixed 0.0 Mobile 0.0					
<500>	Service Quality Standards & Consumer Protection R	ules Compliance	(check to indicate certifica	tion)	✓	√
	442065tx510.pdf					
<510>			(attached descriptive do	cument)	√	√
<600>	Functionality in Emergency Situations 442065tx610.pdf		(check to indicate certifica	tion)	✓	✓
	442005CX010.pdf					
			(attached descriptive docum	nent)		
<610>						
<700>	Company Price Offerings (voice)		(complete attached worksl	neet)	✓	
<710>	Company Price Offerings (broadband)		(complete attached works)	neet)		
	Operating Companies and Affiliates		(complete attached works)		<u> </u>	111111
	Tribal Land Offerings (Y/N)? Voice Services Rate Comparability		(if yes, complete attached works) (check to indicate certifica		<u>,</u>	
	442065tx1010.pdf			,	<u> </u>	
<1010	>		(attach descriptive docum	ent)	✓	
<1100>	> Terrestrial Backhaul (Y/N)?		(if not, check to indicate certifica	ation)	<u>√</u>	
<1110>			(complete attached works	heet)		
	Terms and Condition for Lifeline Customers		(complete attached works		1111111	✓
	Price Cap Carriers, Proceed to Price Cap Additional	Documentation Wo	rksheet			
<2000>	Including Rate-of-Return Carriers affiliated with Pr	ice Cap Local Exchai	nge Carriers			*****

<2000>	3	,	,,	,	,	(check to indicate certification
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Rate of Return Carriers, Proceed to ROR Additional Documentation Worksheet

<3000> (check to indicate certification) <3005> (complete attached worksheet)

(100) Se	(100) Service Quality Improvement Reporting	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819	219
Data C		July 2013	010
<010>	Study Area Code	442065	
<015>	Study Area Name	CUMBY TEL COOP INC	
<020>	Program Year	2015	
<030>	Contact Name - Person USAC should contact regarding this data	Esther Stonaker	
<032>	Contact Telephone Number - Number of person identified in data line <030>	9039942211 ext.	
<039>	Contact Email Address - Email Address of person identified in data line <030>	stonaker@cumbytel.com	
<110>	Has your company received its ETC certification from the FCC?	(yes / no) (yes / no)	
<111>	If your answer to Line <110> is yes, do you have an existing $\$54.202(a)$ "5 year plan" filed with the FCC?	(yes / no) O	
(112) (113) (114) (115) (115) (117)	If your answer to Line <111> is yes, then you are required to file a progress report, on line <112> delineating the status of your company's existing § 54.202(a) "5 year plan" on file with the FCC, as it relates to your provision of voice telephony service. Attach Five-Year Service Quality Improvement Plan or, in subsequent years, your annual progress report filed pursuant to 47 C.F.R. § 54.313(a)(1). If your company is a CETC which only receives frozen support, your progress report is only required to address voice telephony service. Please check these boxes below to confirm that the attached documents(s), on line 112, contains a progress report on its five-year service quality improvement plan pursuant to § 54.202(a). The information shall be submitted at the wire center level or census block as appropriate. Maps detailing progress towards meeting plan targets Report how much universal service (USF) support was received How (USF) was used to improve service coverage How (USF) was used to improve service capacity Provide an explanation of network improvement targets not met in the prior calendar year.	mpany is a Name of Attached Document Name of Attached Document	

(200) Serr Data Coll	(200) Service Outage R Data Collection Form	(200) Service Outage Reporting (Voice) Data Collection Form	(ec						FCC OMI July	FCC Form 481 OMB Control No. 3060- July 2013	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013). 3060-0819
<010>	Study Area Code	ode				442065						
<015>	Study Area Name	ame				CUMBY TEL CO	TEL COOP INC					
<020>	Program Year	L				2015						
<030>	Contact Nam	Contact Name - Person USAC should contact regarding this data	: should contac	t regarding this	data	Esther Stonaker	aker					
<032>	Contact Tele	Contact Telephone Number - Number of person identified in data line <030>	· Number of pe	rson identified i	in data line <05		ext.					
<039>	Contact Emai	Contact Email Address - Email Address of person identified in data line <030>	il Address of pe	rson identified	in data line <0.	30> stonaker@cumbytel.com	mbytel.com					
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<077>	NORS	<10>	<70>	<03>	<040>	<t3></t3>	<77>	<d></d>	\a>	Oid This Outage	^% /	^UV
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		רפוני	ש ב	Date		castolliers Allected	Customers	(Yes / No)	all that apply)	(Yes / No)	Service Oddage Resolution	Procedures

Page 3

(700) Pric Data Coll	(700) Price Offerings in Data Collection Form	(700) Price Offerings including Voice Rate Data Data Collection Form	ata				P. O. N. D. L.	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013	B Control No. 3060-0819
<010>	Study Area Code	de			442065				
<015>	Study Area Name	ıme			CUMBY TEL COOP INC	OOP INC			
<020>	Program Year				2015				
<030>	Contact Name	Contact Name - Person USAC should contact regarding this data	contact regardi	ng this data	Esther Stonaker	ıaker			
<032>	Contact Telep	Contact Telephone Number - Number of person identified in data line <030>	er of person ider	tified in data line <	<030> 9039942211 ext.	ext.			
<039>	Contact Email	Contact Email Address - Email Address of person identified in data line <030>	ss of person ide.	ntified in data line	<030> stonaker@cumbytel.com	mbytel.com			
<701>	Residential Lo	Residential Local Service Charge Effective Date	ctive Date	1/1	1/1/2014				
<702>	Single State-w	Single State-wide Residential Local Service Charge	ervice Charge						
<703>	<a1></a1>	<a2></a2>	<a3></a3>	 	 	<	 	<	\(\)
	State	Exchange (ILEC)	SAC (CETC)	Rate Type	Residential Local Service Rate	State Subscriber Line Charge	State Universal Service Fee	Mandatory Extended Area Service Charge	Total per line Rates and Fees
					See at	See attached worksheet			

Data Collection Form	E.						OMB Cont July 2013	rol No. 3060-0986/	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010> Study Area Code	a Code			442065					
<015> Study Area Name	a Name			CUMBY TEL COOP INC	INC				
<020> Program Year	Year			2015					
<030> Contact N	Jame - Person USA	Contact Name - Person USAC should contact regarding this data	is data	Esther Stonaker					
<035> Contact To	elephone Numbe	Contact Telephone Number - Number of person identified in data line <030>	d in data line <030>	9039942211 ext.					
<039> Contact E	mail Address - Em	Contact Email Address - Email Address of person identified in data line	d in data line <030>	stonaker@cumbytel.com	tel.com				
<711>	<a1></a1>	<a2></a2>	<	<bs></bs> <bs></bs> 	<>>>	<d1></d1>	<d2></d2>	<d3></d3>	<d4>></d4>
	State	Exchange (ILEC)	Residential Rate	State Regulated Fees	Total Rate and Fees	Broadband Service - Download Speed (Mbps)	Broadband Service - Upload Speed (Mbbs)	Usage Allowance (GB)	Usage Allowance Action Taken When Limit Reached {select }
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do (008)	(800) Operating Companies			FCC Form 481
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<010>	. Study Area Code	442065		
<015>	· Study Area Name	CUMBY TEL COOP INC	P INC	
<020>	. Program Year	2015		
<030>	· Contact Name - Person USAC should contact regarding this data	Esther Stonaker	er	
<032>	· Contact Telephone Number - Number of person identified in data line <030>)> 9039942211 ext.	t.	
<039>		<pre>0> stonaker@cumbytel.com</pre>	oytel.com	
<810>	Reporting Carrier Cumby Telephone Cooperative, Inc.			
<811>				
<812>				
<813>	<a1>></a1>		<a2></a2>	<a3></a3>
	Affiliates		SAC	Doing Business As Company or Brand Designation
		See att	attached worksheet	eet

(900) Tribal Lands Reporting Data Collection Form	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013
<010> Study Area Code	442065
<015> Study Area Name	CUMBY TEL COOP INC
<020> Program Year	2015
<030> Contact Name - Person USAC should contact regarding this data	Esther Stonaker
<035> Contact Telephone Number - Number of person identified in data line <030>	0> 9039942211 ext.
<039> Contact Email Address - Email Address of person identified in data line <030>	SO> stonaker@cumbytel.com
<910> Tribal Land(s) on which ETC Serves	
ןן	
<920> Tribal Government Engagement Obligation	
	Name of Attached Document
If your company serves Tribal lands, please select (Yes,No, NA) for each these boxes	
to confirm the status described on the attached document(s), on line 920, demonstrates coordination with the Tribal government pursuant to	Select
§ 54.313(a)(9) includes:	(Yes,No.) NA)
<921> Needs assessment and deployment planning with a focus on Tribal	
community anchor institutions.	
<922> Feasibility and sustainability planning;	
<923> Marketing services in a culturally sensitive manner;	
<924> Compliance with Rights of way processes	
<925> Compliance with Land Use permitting requirements	
<926> Compliance with Facilities Siting rules	
<927> Compliance with Environmental Review processes	
<928> Compliance with Cultural Preservation review processes	
<929> Compliance with Tribal Business and Licensing requirements.	

(1100) N	(1100) No Terrestrial Backhaul Reporting	FCC Form 481
Data Co	Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010>	Study Area Code	442065
<015>	Study Area Name	CUMBY TEL COOP INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Esther Stonaker
<032>	Contact Telephone Number - Number of person identified in data line <030>	9039942211 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stonaker@cumbyte1.com
<1120>	Please check this box to confirm no terrestrial backhaul options exist within the supported area pursuant to § 54.313(G)	
<1130>		
	upstrediii Witiiii tile supported dred pursudiit to 3 34.313(9)	

(1200) Te Lifeline	(1200) Terms and Condition for Lifeline Customers Lifeline	FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819	0819
Data Co			
<010>	Study Area Code	442065	
<015>	Study Area Name	CUMBY TEL COOP INC	
<020>	Program Year	2015	
<030>	Contact Name - Person USAC should contact regarding this data	Esther Stonaker	
<032>	Contact Telephone Number - Number of person identified in data line <030>		
<039>	Contact Email Address - Email Address of person identified in data line <030>	line <030> stonaker@cumbytel.com	
		442065tx1210.pdf	
<1210>	<1210> Terms & Conditions of Voice Telephony Lifeline Plans		
		Name of Attached Document	
<1220>	Link to Public Website	нттр	
"Please c or the we § 54.422	"Please check these boxes below to confirm that the attached document(s), on line 1210, or the website listed, on line 1220, contains the required information pursuant to § 54.422(a)(2) annual reporting for ETCs receiving low-income support, carriers must	1210, it	
annually report:	report:		
<1221>	Information describing the terms and conditions of any voice telephony service plans offered to Lifeline subscribers,		
<1222>	Details on the number of minutes provided as part of the plan,		
<1223>	Additional charges for toll calls, and rates for each such plan.		

FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013							:harge reductions, and Connect America Phase II																	ed Information
P O	442065	CUMBY TEL COOP INC	2015	Esther Stonaker	9039942211 ext.	stonaker@cumbytel.com	liance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge red support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.]_	ut(s), on line 2021, contains the required information support shall provide the number, names, and providing access to broadband service in the			Name of Attached Document Listing Required Information
(2000) Price Cap Carrier Additional Documentation Data Collection Form Including Rate-of-Return Carriers offiliated with Price Cap Local Exchange Carriers		Study Area Name	Program Year		Contact Telephone Number - Number of person identified in data line <030>	Contact Email Address - Email Address of person identified in data line <030>	CHECK the boxes below to note compliance as a recipient of Incremental Connect America Phase I support, frozen High Cost support, High Cost support to offset access charge reductions, and Connect America Phase II support at support as set forth in 47 CFR § 54.313(b),(c),(d),(e) the information reported on this form and in the documents attached below is accurate.	The second secon	meremental connect America mass mepor mig	zilo real Certification (47 CFR § 54-5.15(b)(1)} 3rd Year Certification (47 CFR § 54.313(b)(2)}	Price Cap Carrier Receiving Frozen Support Certification {47 CFR § 54.312(a)}	2013 Frozen Support Certification	2014 Frozen Support Certification	2015 Frozen Support Certification	2016 and future Frozen Support Certification	Price Cap Carrier Connect America ICC Support {47 CFR § 54.313(d)}	Certification Support Used to Build Broadband	Connect America Phase II Reporting {47 CFR § 54.313(e)}	3rd year Broadband Service Certification	Julyear of god barrier of threation	Please check the box to confirm that the attached document(s), on lingursuant to § 54.313 (e)(3)(ii), as a recipient of CAF Phase II support staddresses of community anchor institutions to which began providing preceding calendar year.	Interview Decreases Commentation Anathors Institutions	menni Progress Community Auchor mistigations	
(2000) Pr Data Coll	<010>	<015>	<020>	<030>	<032>	<039>	CHECK th		,0100,	<2010>		<2012>	<2013>	<2014>	<2015>		<2016>	,	<201/>	<2019>	<2020>	,1000	\T202\	

(2000)	soup) kate Of Keturn Carrier Additional Documentation	FCC Form 481
Data Co	Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
		one kon
<010>	Study Area Code	442065
<015>		CUMBY TEL COOP INC
<020>		2015
<030>		Bother Stonaker
<039>	Contact Telephone Normber - Normber of person identified in data line <030> Contact Email Address - Email Address of person identified in data line <030>	9039342211 ext.
		Scutane would'y ce 1 coll
CHECK	CHECK the boxes below to note compliance on its five year service quality plan (pursuan CFR § 54.313(f)(2). I further certify that th	its five year service quality plan (pursuant to 47 CFR § 54.202(a)) and, for privately held carriers, ensuring compliance with the financial reporting requirements set forth in 47 FR § 54.313(f)(2). I further certify that the information reported on this form and in the documents attached below is accurate.
(3010)	Progress Report on 5 Year Plan Milestone Certification (47 CFR § 54.313(f)(1)(i)}	
		Name of Attached Document Listing Required Information
(3011)	Please check this box to confirm that the attached document(s), on line 3012 contains the required information pursuant to § 54.313 (f)(1)(ii), the carrier shall provide the number, names, and addresses of community anchor institutions to which began providing access to broadband service in the preceding calendar year.	112 contains the required information pursuant to sees of community anchor institutions to which began
(3012)	Community Anchor Institutions {47 CFR § 54.313(f)(1)(ii)}	
(3013)		Name of Attached Document Listing Required Information (Yes/No)
(3014)	It yes, does your company tile the KOS annual report	
(3015)	e check these boxes to confirm that the attached document(s), on line 3017 Electronic copy of their annual RUS reports (Operating Report for	Please check these boxes to confirm that the attached document(s), on line 3017, contains the required information pursuant to § 54.313(f)(2) compliance requires: [3015] Electronic copy of their annual RUS reports (Operating Report for
		֧֖֓֞֞֞֝֞֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֓֞֓֞֞֜֓֞֞֞֜֜֜֓֓֓֞֜֜֜֜֜֞֜֜֜֜֜֜
(3016)	 Document(s) for Balance Sheet, Income Statement and Statement of Cash Flows 	h Flows
(3017)) If the response is yes on line 3014, attach your company's RUS annual report and all required documentation	
		Name of Attached Document Listing Required Information
(3018)) If the response is no on line 3014, Is your company audited?	
(3019)	If the response is yes on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains Either a copy of their audited financial statement; or (2) a financial report in a format comparable to RUS Operating Report for Telecommunications	mat comparable to RUS Operating Report for Telecommunications
(3020)		sh Flows
(3021)) Management letter issued by the independent certified public accountant that performed the company's financial audit.	erformed the company's financial audit.
	if the response is no on line 3018, please check the boxes below to confirm your submission, on line 3026 pursuant to § 54.313(f)(2), contains:	
(3022)	Copy of their financial statement which has been subject to review by an	
	independent certined public accountant; or 2,1 a financial report in a format comparable to RUS Operating Report for Telecommunications	
(3023)	Borrowers, Underlying information subjected to a review by an independent certified	
(4000)	public accountant	
(3024)	Underlying Information subjected to an orneer certification. Document(s) for Balance Sheet, Income Statement and Statement of Ca	sh Flows
		442065tx3026.pdf
(3026)) Attach the worksheet listing required information	
	7	Name of Attached Document Listing Required Information

Certification - Reporting Carrier	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

<010>	Study Area Code	442065
<015>	Study Area Name	CUMBY TEL COOP INC
<020>	Program Year	2015
<030>	Contact Name - Person USAC should contact regarding this data	Esther Stonaker
<035>	Contact Telephone Number - Number of person identified in data line <030>	9039942211 ext.
<039>	Contact Email Address - Email Address of person identified in data line <030>	stonaker@cumbytel.com

TO BE COMPLETED BY THE REPORTING CARRIER, IF THE REPORTING CARRIER IS FILING ANNUAL REPORTING ON ITS OWN BEHALF:

Certification of Officer as to the Accuracy of the Data Reported for the Annual Reporting for CAF or LI Recipients I certify that I am an officer of the reporting carrier; my responsibilities include ensuring the accuracy of the annual reporting requirements for universal service support recipients; and, to the best of my knowledge, the information reported on this form and in any attachments is accurate. Name of Reporting Carrier: Signature of Authorized Officer: Date Printed name of Authorized Officer: Title or position of Authorized Officer: Telephone number of Authorized Officer: Study Area Code of Reporting Carrier: Filing Due Date for this form:

Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment under Title 18 of the United States Code, 18 U.S.C. § 1001.

	ion - Agent / Carrier ection Form		FCC Form 481 OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010>	Study Area Code	442065	
<015>	Study Area Name	CUMBY TEL COOP INC	
<020>	Program Year	2015	
<030>	Contact Name - Person USAC should contact regarding this data	Esther Stonaker	
<035>	Contact Telephone Number - Number of person identified in data line <030>	9039942211 ext.	

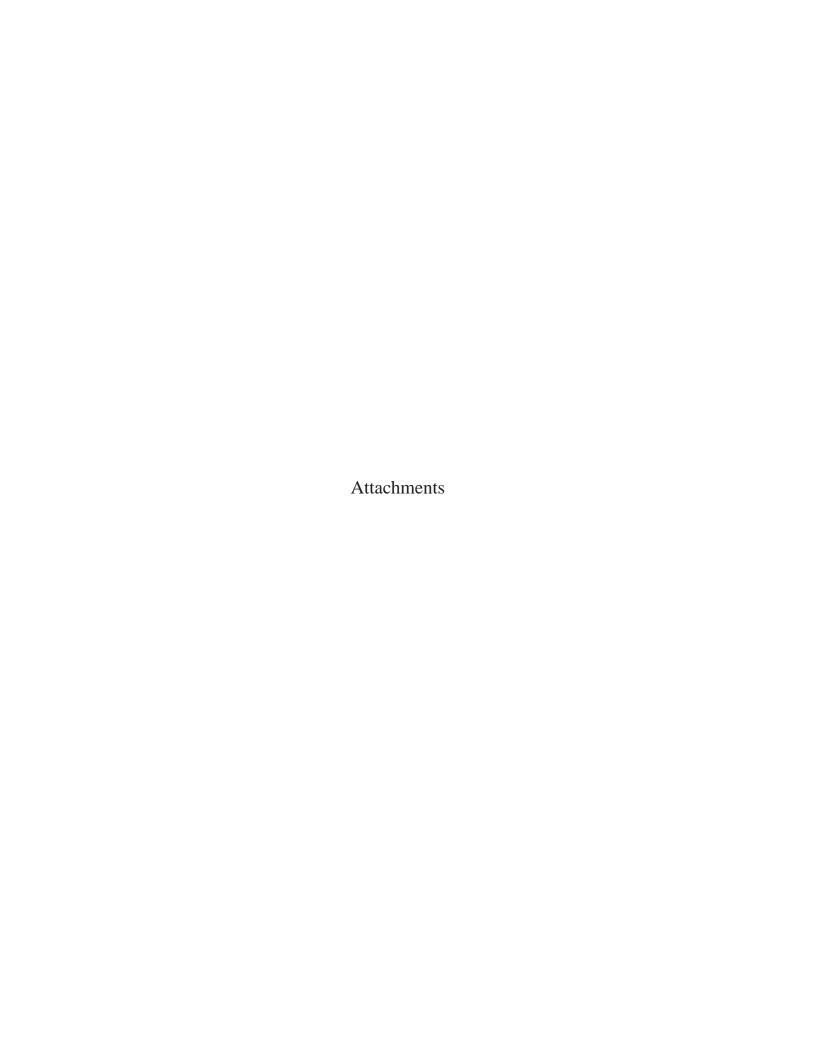
TO BE COMPLETED BY THE REPORTING CARRIER, IF AN AGENT IS FILING ANNUAL REPORTS ON THE CARRIER'S BEHALF:

<039> Contact Email Address - Email Address of person identified in data line <030> stonaker@cumbytel.com

Certification of Officer to Authorize an Ag	ent to File Annual Reports for CAF or LI Recipients on Behalf of Reporting Carrier
I certify that (Name of Agent) <u>Lisa A. McLaughlin</u> also certify that I am an officer of the reporting carrier; my responsibili agent; and, to the best of my knowledge, the reports and data provided	is authorized to submit the information reported on behalf of the reporting carrier. I ties include ensuring the accuracy of the annual data reporting requirements provided to the authorized it to the authorized agent is accurate.
Name of Authorized Agent: Lisa A. McLaughlin	
Name of Reporting Carrier: CUMBY TEL COOP INC	
Signature of Authorized Officer: CERTIFIED ONLINE	Date: 06/30/2014
Printed name of Authorized Officer: Karen Zimmerman	
Title or position of Authorized Officer: General Manager	
Telephone number of Authorized Officer: 9039942211 ext.	
Study Area Code of Reporting Carrier: 442065	Filing Due Date for this form: 07/01/2014
, ,	y fine or forfeiture under the Communications Act of 1934, 47 U.S.C. §§ 502, 503(b), or fine or imprisonment 18 of the United States Code, 18 U.S.C. § 1001.

TO BE COMPLETED BY THE AUTHORIZED AGENT:

Certification of Agent Authorized to File Annual Reports for CAF or LI Recipients or	Behalf of Reportin	g Carrier
I, as agent for the reporting carrier, certify that I am authorized to submit the annual reports for universal service support recipie the data reported herein based on data provided by the reporting carrier; and, to the best of my knowledge, the information rep		•
Name of Reporting Carrier: CUMBY TEL COOP INC		
Name of Authorized Agent or Employee of Agent: Lisa A. McLaughlin		
Signature of Authorized Agent or Employee of Agent: CERTIFIED ONLINE	Date:	06/30/2014
Printed name of Authorized Agent or Employee of Agent: Lisa A. McLaughlin		
Title or position of Authorized Agent or Employee of Agent Authorized Representative		
Telephone number of Authorized Agent or Employee of Agent: 5126527709 ext.		
Study Area Code of Reporting Carrier: 442065 Filing Due Date for this form: 07/01/2014		
Persons willfully making false statements on this form can be punished by fine or forfeiture under the Communications Act of 1934, 4 18 of the United States Code, 18 U.S.C. § 1001.	7 U.S.C. §§ 502, 503(b), or	fine or imprisonment under Title



FCC Form 481	OMB Control No. 3060-0986/OMB Control No. 3060-0819	July 2013
(700) Price Offerings including Voice Rate Data	Data Collection Form	

<701> Residential Local Service Charge Effective Date
<702> Single State-wide Residential Local Service Charge

<703>

1/1/2014

<u> </u>	Total per line Rates and Fees	15.37										
<	Mandatory Extended Area Service Charge	0.0										
 b4>	State Universal Service Fee	0.37										
 	State Subscriber Line Charge	5.0										
<	Residential Local Service Rate	0.01										
 	Rate Type	FR										
<a3></a3>	SAC (CETC)											
<92>	Exchange (ILEC)	Cumby										
<a1></a1>	State	TX										

FCC Form 481	OMB Control No. 3060-0986/OMB Control No. 3060-0819	July 2013
(710) Broadband Price Offerings	Data Collection Form	

<010>	<010> Study Area Code	442065
<015>	<015> Study Area Name	CUMBY TEL COOP INC
<020>	<020> Program Year	2015
<030>	<030> Contact Name - Person USAC should contact regarding this data	Esther Stonaker
<032>	a line	<030> 9039942211 ext.
<039>	<039> Contact Email Address - Email Address of person identified in data line <030>	<030> stonaker@cumbyte1.com

<711>

<d4>></d4>	Usage Allowance Action Taken When Limit Reached {select}	Other, No limit on usage allowance	Other, No limit on usage allowance	Other, No limit on usage allowance									
	Usage Allowance (GB)	0.0	0.0	0.0									
<q3></q3>	Broadband Service - Broadband Service Usag Download Speed -Upload Speed (Mbps) (GB)	1.0	1.0	1.0									
<d2></d2>	Broadband Service - Download Speed (Mbps)	4.0	6.0	10.0									
<c> <d1></d1></c>	Total Rates and Fees	59.95	79.95	99.95									
<bs></bs>	State Regulated Fees	0.0	0.0	0.0									
<	Residential Rate	59.95	79.95	99.95									
<a2></a2>	Exchange (ILEC)	Cumby	Cumby	Cumb									
<a1></a1>	State	XI	TX	TX									

(800) Operating Companies	FCC Form 481
Data Collection Form	OMB Control No. 3060-0986/OMB Control No. 3060-0819
	July 2013

(800) Operating Companies			FCC Form 481
Data Collection Form			OMB Control No. 3060-0986/OMB Control No. 3060-0819 July 2013
<010> Study Area Code	442065		
<015> Study Area Name	CUMBY TEL COOP INC	7)	
<020> Program Year	2015		
<030> Contact Name - Person USAC should contact regarding this data	Esther Stonaker		
<035> Contact Telephone Number - Number of person identified in data line <030>	9039942211 ext.		
<039> Contact Email Address - Email Address of person identified in data line <030>	stonaker@cumbytel.com	.com	
<810> Reporting Carrier Cumby Telephone Cooperative, Inc.			
Holding Company			
1			
<813> <a1></a1>		<a2></a2>	<83>
Affiliates		SAC	Doing Business As Company or Brand Designation
-			
Cumby Telephone Cooperative, inc.	449	449004	

LINE 112 - FIVE-YEAR SERVICE QUALITY IMPROVEMENT PLAN

Following is the initial five-year service quality improvement plan for Cumby Telephone Cooperative, Inc. ("Cumby" or "the Cooperative") pursuant to 47 C.F.R. § 54.202(a)(1)(ii) that requires an eligible telecommunications carrier (ETC) to describe proposed improvements or upgrades to the ETC's network throughout its service area. The *USF/ICC Transformation Order* establishes a public interest obligation for rate-of-return ETCs to provide broadband service at speeds of at least 4 Mbps downstream and 1 Mbps upstream (4:1) "upon reasonable request." A service quality improvement plan cannot project where in the service area reasonable requests will be made. However, the proposed service improvements in this plan result in the availability of 4:1 or better service to a greater portion of the Cooperative's service area than is currently available.

Although this plan is a good faith effort by the Cooperative, it is subject to change, given the uncertainty faced by ETCs regarding whether capital investments will be recoverable over the five year planning horizon. Factors that may affect the capital improvements plan include erosion of the customer base due to competition, alternative technologies, economic conditions in the service area, and unpredictable changes in the universal service support amounts an ETC receives.

Cumby owns and operates one exchange serving subscribers located in East Texas. The service area includes portions of Hopkins and Hunt counties. The service area covers approximately 51 square miles.

Baseline Network Description



Table 1 - Current Broadband Capabilities

Exchange Square Total Existing Access Lines	Estimated Total Population Served Total Capable Lii	Canable Canable
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2014 - 2019 Service Quality Improvement Plan

Table 2 provides Cumby's potential service quality improvements and associated capital expenditures for 2014 - 2019, by exchange, along with estimates of the population that will be served by the improvements.

	Estimated Population Served by Improvements	
	2019	
	2018	
nent Plan	2017	
Quality Improver	2016	
Table 2 – Service Quality Improvement Plan	2015	
Ta	2014	
	Description of Improvement	
	Exchange	

Narrative Description: 2014 - 2019



LINE 510 - SERVICE QUALITY STANDARDS AND CONSUMER PROTECTION RULES COMPLIANCE

Cumby Telephone Cooperative, Inc. (the Cooperative) complies with applicable service quality standards and consumer protection rules as required by the Public Utility Commission of Texas (PUCT) and the Federal Communications Commission.

The rates, terms, and conditions under which the Cooperative operates are outlined in its Local Exchange Tariff, which is approved by the PUCT. The Cooperatives tariff contains provisions regarding its customer service and protection practices, including resolving disputes with the Cooperative, applying for service, the classification of business and residential rates, deposits, billing and payment for service, refusal, disconnection and cancellation of service. The tariff is available for customer review in the Business Office, as requested. Rates and terms of service are disclosed to customers upon application for service both verbally and in writing as part of a packet of information for new customers. Rates, applications and certain terms of service are also available on the Cooperative's website.

Service quality standards for voice service are established by the PUCT and the Cooperative consistently meets or exceeds the standards and provides reports to the PUCT, in accordance with the state commission rules.

With regard to broadband service, the Cooperative provisions its network and equipment to ensure that its customers can enjoy the speeds to which they subscribe. However, Internet speeds generally result from a "best effort" service and are dependent upon a number of variables, many of which are outside the control of the Cooperative.

Finally, the protection of customers' privacy and information is of utmost importance and the Cooperative has a policy and established operating procedures that comply with the FCC's Customer Proprietary Network Information Rules (47 C.F.R. §§64.2001-64.2011). Certification and a description of those operating procedures are filed at the FCC annually.

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LINE 610 - ABILITY TO FUNCTION IN EMERGENCY SITUATIONS

Cumby Telephone Cooperative, Inc. (the Cooperative) is able to function in emergency situations. The Cooperative has a reasonable amount of back-up power to ensure functionality without an external power source. Standby power generators are supplied at the central office, remote switch sites, and repeater sites to ensure functionality without an external power source until power is restored. The network is capable of managing traffic spikes resulting from emergency situations.

The Cooperative is able to reroute traffic around damaged facilities. Although the Cooperative's ability to reroute traffic around damaged facilities is not absolute and may be limited in certain circumstances, there is a restoration plan in place for expeditious recovery of service, including splicing of damaged facilities when warranted.

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LINE 1010 - VOICE SERVICES RATE COMPARABILITY

The Wireline Competition Bureau's most recent reasonable comparability benchmark for voice services is \$46.96, which includes the federal subscriber line charge ("SLC").

In the exchanges served by Cumby Telephone Cooperative, Inc., the highest single-line residential local rate, including any mandatory extended area service charge, is \$10.00. When the federal SLC and the state universal service fee are added, the total is less than the reasonable comparability benchmark of \$46.96.

¹ Wireline Competition Bureau Announces Results of Urban Rate Survey for Voice Services; Seeks Comment on Petition for Extension of Time to Comply With New Rate Floor, WC Docket No. 10-90, DA 14-384 (rel. Mar. 20, 2014), p. 2.

LINE 1210 – TERMS & CONDITIONS OF VOICE TELEPHONY LIFELINE PLANS

Cumby Telephone Cooperative, Inc., (the Cooperative) provides qualified Lifeline Subscribers a Federal Lifeline discount of \$9.25 applied against the Subscriber Line Charge (SLC) of \$5.00 with the remainder applied to the stand-alone residence monthly local exchange access rate as outlined in its Local Exchange Tariff and a state Lifeline discount of \$3.50. The local exchange access line rate includes an unlimited amount of local calling minutes. Additional charges for toll calls associated with the stand-alone residential access line are billed at the rates of the long distance carrier chosen by the subscriber. Qualified Lifeline customers may also subscribe to Cumby Flex Pak and Cost Saver Entertainment for Residential customers with the same reductions applied against that portion of the package rate that is for basic network service (one line only). These plans include a long distance calling plan, internet and broadband services as well as a choice of optional services. Attached are the pages from the Cooperative's Local Exchange Tariff including pages describing the terms and conditions of Lifeline service.

Local Exchange Tariff

SECTION 1
2nd Revised Page 8

Replacing 1st Revised Page 8

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

C. Lifeline Program

The Lifeline Program is a retail local service offering designed to make telephone service available at reduced rates to qualifying low-income customers.

1. General

- a. A qualifying low-income customer subscribing to the Lifeline Program shall receive federal and state reductions to their monthly tariffed residential local exchange access line rate.
- b. Nothing in this section shall prohibit a customer who is otherwise eligible for the Lifeline Service from obtaining and using telecommunications equipment and services designed to aid such customer in utilizing qualifying telecommunications services.
- c. Lifeline Service reductions do not apply to surcharges, taxes, long distance service, 976, and other information related telecommunications services, and optional services such as custom calling features. Customers may obtain these services, where available, at their discretion.
- d. The Lifeline Service reductions do not apply to service connection charges.

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Effective: By:

April 2, 2012 Karen Zimmerman

Title:

Manager

CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1

4th Revised Page 9 Replacing 3rd Revised Page 9

LOCAL EXCHANGE SERVICE

II. **APPLICATION OF RATES (Continued)**

C. Lifeline Program (Continued)

1. General (Continued)

- The Cooperative may not disconnect the service of a Lifeline Service e. customer for the non-payment of toll charges. However, the Cooperative reserves the right to implement toll blocking, at no charge, if the customer incurs a significant balance of unpaid toll bills. The Cooperative will inform the customer, by direct mail, of this change to their service due to the customer's non-payment of toll charges. Upon the customer's payment of all outstanding toll charges, the Cooperative shall remove mandatory toll blocking at no charge.
- f. Upon subscribing to the Lifeline Service, a customer will be offered a T subscription, at no charge, to toll blocking service (in exchanges where technically available) which denies the customer access to the long distance telecommunications network; however, the customer is under no obligation to accept the subscription to toll blocking.
- h. The Lifeline Service rate reductions will not be available on a T retroactive basis unless approved by the Public Utility Commission of Texas or the Low-Income Discount Administrator (LIDA).

2. Designated Lifeline Services

The Cooperative shall offer voice telephony services that provide the following functionalities as designated Lifeline Services:

- Voice grade access to the public switched network or its functional a. equivalent;
- Minutes of use for local service provided at no additional charge to b. the customer:
- Access to emergency services; c.
- Toll blocking service. d.

Effective: April 2, 2012 By: Karen Zimmerman

Title: Manager M

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CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1

3rd Revised Page 10 Replacing 2nd Revised Page 10

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

C. Lifeline Program (Continued)

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- 3. Eligibility Requirement
 - a. Qualifying Low-income (Eligible) Customer Criteria

An eligible customer shall be defined as an individual whose annual household income is at or below 150% of the federal poverty guidelines or in whose household resides a person who receives or has a child who receives benefits from at least one of the following programs:

- 1) Medicaid
- 2) Food Stamps (Supplemental Nutrition Assistance Program)

3) Supplemental Security Income (SSI)

- 4) Federal Public Housing Assistance (FPHA)
- 5) Low-Income Home Energy Assistance Program (LIHEAP)
- 6) Health benefits coverage under the state Children's Health Insurance Program (CHIP)
- 7) National School Lunch Program's Free Lunch Program
- 8) Temporary Assistance for Needy Families

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The Lifeline Service rate reductions will be provided per eligible customer. The Low-Income Discount Administrator (LIDA) will provide a list of eligible customers to the Cooperative each month.

Effective: By:

June 1, 2012 Karen Zimmerman

Title:

Manager

Local Exchange Tariff

3rd Revised Page 11 Replacing 2nd Revised Page 11

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 3. Eligibility Requirement (Continued)
 - b. Obligations of the Customer
 - 150% of the federal poverty guidelines or who participate in FPHA or LIHEAP programs may self-enroll for Lifeline Program benefits by completing an application form and returning it to LIDA. LIDA will send a blank application upon customer request. LIDA can be reached at 1-866-4LITEUP. Current customers receiving benefits under Medicaid, Food Stamps, SSI or CHIP will be subject to the Lifeline Program automatic enrollment procedures as provided by the LIDA unless they provide a written request to the LIDA to be excluded from the Lifeline Program.
 - 2) A customer who is eligible for the Lifeline Program but does not have telephone service at the time the LIDA provides its eligibility list to the Cooperative, shall be responsible for initiating a request for the Lifeline Program from the Cooperative.
 - c. Obligations of the Cooperative
 - 1) LIDA will provide a list of eligible customers to the Cooperative on a monthly basis. Upon receipt of the list, the Cooperative shall begin reduced billing for those customers within 30 days.

Effective: By: Upon Approval Karen Zimmerman

Title:

Manager

CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1

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2nd Revised Page 12

Replacing 1st Revised Page 12

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 3. Eligibility Requirement (Continued)
 - d. Discontinuance of Service
 - 1) Discontinuance of Lifeline Discounts for customers automatically enrolled: The eligibility period for automatically enrolled customers is the length of their enrollment in Texas Health and Human Services Commission (THHSC) benefits plus a period of 60 days for renewal. Automatically enrolled customers will have an opportunity to renew their THHSC benefits or self-enrollment with LIDA upon the expiration of their automatic enrollment.

Effective: Upon Approval
By: Karen Zimmerman

Title: Manager

Local Exchange Tariff

2nd Revised Page 13 Replacing 1st Revised Page 13

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 3. Eligibility Requirement (Continued)
 - d. Discontinuance of Service (Continued)
 - 2) Discontinuance of Lifeline Discounts for customers who have self-enrolled: Individuals not receiving benefits through THHSC programs, but who have met Lifeline income qualifications, are eligible to receive the Lifeline Discount for seven months, which includes a period of 60 days during which the customer may renew their eligibility with LIDA for an additional seven months.

4. Deposit and Credit Requirements

- a. The Cooperative shall be prohibited from charging a service deposit in order to initiate the Lifeline Program if the eligible customer voluntarily elects to receive toll blocking.
- b. The Cooperative may charge a service deposit if the eligible customer denies subscription to toll blocking upon subscribing to the Lifeline Program.
- c. In instances where the Cooperative may require a service deposit, the same credit verification procedures and deposit regulations used for all applicants who apply for service with the Cooperative are also applicable to eligible customers for the Lifeline Program.

Effective:

Upon Approval Karen Zimmerman

By: Title:

Manager

Т

Local Exchange Tariff

1st Revised Page 14 Replacing Original Page 14

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 5. Service Connection Charges
 - a. Service connection charges do not apply to eligible customers with existing, qualifying service converting to the Lifeline Program.
 - b. Service connection charges do apply when:
 - Existing eligible customer requests additional non-qualifying services at the time Lifeline Program reduced billing is initiated.
 - 2) New customers (those without existing local exchange access service) eligible for the Lifeline Program establish service.
 - 3) Customers make subsequent moves or changes after initial connection to the Lifeline Program.

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Effective: By:

April 2, 2012 Karen Zimmerman

Title:

Manager

CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1

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2nd Revised Page 15

Replacing 1st Revised Page 15

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 6. Lifeline Program Rate Reduction
 - a. Implementation

The Cooperative shall provide reduced billing for all Lifeline Program eligible customers within its service area in accordance with the Commission's Substantive rules.

In instances where a customer inquires about participation in the Lifeline Program, the Cooperative shall contact information for LIDA.

Effective: Upon Approval By: Karen Zimmerman

Title: Manager

CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1
3rd Revised Page 16

Replacing 2nd Revised Page 16

LOCAL EXCHANGE SERVICE

II. APPLICATION OF RATES (Continued)

- C. Lifeline Program (Continued)
 - 6. Lifeline Program Rate Reduction (Continued)
 - b. Amounts

The Cooperative shall apply Lifeline Program rates, per eligible customer, as described below.

		Monthly Rate Reduction	
			D D
1)	Federal Reduction applied to Federal Subscriber Line Charge and Residential Local Exchange Access Line Charge	47.C.F.R. Section 54.403	T
2)	Maximum State Reduction to Residential Local Exchange Access Line Rate	\$3.50	T

Effective: April 2, 2012 By: Karen Zimmerman

Title: Manager

CUMBY TELEPHONE COOPERATIVE, INC.

Rotary/Multi-Line Service

Local Exchange Tariff

SECTION 1 2nd Revised Page 26 Replacing 1st Revised Page 26

IT

LOCAL EXCHANGE SERVICE

III. LOCAL EXCHANGE SERVICE RATES AND CHARGES

A. Residence Monthly Local Exchange Access Line Rates (1)

	1-Party Service	\$10.00	
В.	Business Monthly Local Exchange Access Line Rates (1)		
		Monthly Rate	
	1-Party Service	\$15.00	I
	PBX Trunks	\$17.10	Т

Monthly Rate

\$15.00

Effective:

June 1, 2013

By:

Karen Zimmerman

Title:

Manager

⁽¹⁾ Rates for Access Line Service do not include a charge for an instrument or other customer premises equipment.

SECTION 1

\$3,99

\$2.00

Local Exchange Tariff

2nd Revised Page 27 Replacing 1st Revised Page 27

LOCAL EXCHANGE SERVICE

IV. LOCAL EXCHANGE SERVICE PACKAGE - Residential

Monthly Rate (1) Cumby Flex Pak \$75.85 Two Access Lines OPTIONAL SERVICES - Pick any or All Services (3) Call Forwarding Busy/No Answer Call Block Call Waiting/Cancel Call Waiting Remote Access to Call Forwarding Speed Dial (8 numbers) Three Way Calling Call Return Selective Call Forwarding Caller ID Name and Number Anonymous Call Rejection LONG DISTANCE CALLING PLAN (2)(5) Nationwide Calling - 600 minutes INTERNET SERVICE (4) 2Mbps Broadband Service with Unlimited Internet Access UPGRADE LONG DISTANCE SERVICE FOR (2)(5) Save on Personal Touch Long Distance Calling Plans Unlimited Nationwide Calling \$15.00 UPGRADE BROADBAND SERVICES TO ANY PACKAGE⁽⁴⁾ For an additional charge per month 4Mbps Broadband Service \$20,00 6Mbps Broadband Service \$40.00 High-Speed Modem Protection \$2.99 Wireless Router Equipment Charge

Rates do not include applicable state and federal taxes. The End User Common Line Charge, as approved in the Cooperative's Interstate Access Service Tariff, National Exchange Carrier Association, Inc. Tariff FCC No. 5, is not included in the package price.

Package subscribers must subscribe to Personal Touch Long Distance. Upgrade Long Distance Minutes to unlimited plan for an additional fee of \$15.00 per month.

Customers can choose any or all features on one or both lines.

Email Accounts

Broadband Service is provided by Cumby Telephone. DSL/Internet Service is available on one access line. Speed for an additional monthly fee.

Upgrade to Broadband 4: \$20.00 more per month

Upgrade to Broadband 6: \$40.00 more per month

Toll Calling is provided by Personal Touch Long Distance. Additional minutes above package minutes are at 10 cents per minute. Both access lines share the minutes in each calling plan. Certain restrictions apply.

PUBLIC UTILITY COMMISSION OF TEXAS APPROVED

Effective: By:

Upon Approval Karen Zimmerman

Title:

Manager

CONTROL#

E

CUMBY TELEPHONE COOPERATIVE, INC.

Local Exchange Tariff

SECTION 1

3rd Revised Page 28

Replacing 2nd Revised Page 28

LOCAL EXCHANGE SERVICE

IV. LOCAL EXCHANGE SERVICE PACKAGE - Residence

Monthly Rate (1) \$99.95

E

Cumby Cost Saver Entertainment Pak

- Two Access Lines
 - OPTIONAL SERVICES Pick any four features (3)
 - Call Forwarding Busy/No Answer
 - Call Block
 - Call Waiting/Cancel Call Waiting
 - Remote Access to Call Forwarding
 - Speed Dial (8 numbers)
 - Three Way Calling
 - Call Return
 - Selective Call Forwarding
 - Caller ID Name and Number
 - Anonymous Call Rejection
 - LONG DISTANCE CALLING PLAN (2)(5)
 - Nationwide Calling 600 minutes
 - INTERNET SERVICE (4)
 - 2Mbps Broadband Service with Unlimited Internet Access
 - VIDEO SERVICE
 - Includes all Local and Premium Channels

OPTIONAL SERVICES

For an additional charge per month

	Email Accounts	\$2.00
-	Voicemail	\$1.00
E 71	DCD ADE DDO ADD AND CEDIMORS (4)	Ψ1.00

UPGRADE BROADBAND SERVICES (4)

For an additional charge per month

	and the second of the second o	
-	4Mbps Broadband Service	\$20.00
-	6Mbps Broadband Service	\$40.00
-	10Mbps Broadband Service	\$60.00
-	High-Speed Modem Protection	\$2.99
-	Wireless Router Equipment Charge	\$3.99

Rates do not include applicable state and federal taxes. The End User Common Line Charge, as approved in the Cooperative's Interstate Access Service Tariff, National Exchange Carrier Association, Inc. Tariff FCC No. 5, is not included in the package price.

Upgrade to Broadband 4Mbps: \$20.00 more per month Upgrade to Broadband 6Mbps: \$40.00 more per month Upgrade to Broadband 10Mbps: \$60.00 more per month

PUBLIC UTILITY COMMISSION OF TEASS
APPROVED

Effective: By:

Upon Approval
Karen Zimmerman

Title: Manager

JUN 16 74 8 42557

CONTROL#

Package subscribers must subscribe to Personal Touch Long Distance. Upgrade Long Distance Minutes to unlimited plan for an additional fee of \$14.95 per month.

Customers can choose up to four features on one or both lines.

⁽⁴⁾ Broadband Service is provided by Cumby Telephone. DSL/Internet Service is available on one access line. Speed for an additional monthly fee.

Toll Calling is provided by Personal Touch Long Distance. Additional minutes above package minutes are at \$0.10 per minute. Both access lines share the minutes in each calling plan. Certain restrictions apply.

CUMBY TELEPHONE COOPERATIVE, INC. CUMBY, TEXAS

CONSOLIDATED FINANCIAL STATEMENTS AND SUPPLEMENTARY INFORMATION

As of December 31, 2013 and 2012 With Independent Auditor's Report

CUMBY TELEPHONE COOPERATIVE, INC. CUMBY, TEXAS

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Independent Auditor's Report

The Board of Directors Cumby Telephone Cooperative, Inc. Cumby, Texas

We have audited the accompanying consolidated financial statements of Cumby Telephone Cooperative, Inc., which comprise the balance sheets as of December 31, 2013 and 2012, and the related consolidated statements of operations, comprehensive income, changes in members' equity, and cash flows for the years then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audits in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cumby Telephone Cooperative, Inc. as of December 31, 2013 and 2012, and the results of its operations and its cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Change in Accounting Principle

As discussed in Note 12 to the financial statements, management has elected to change its method for accounting for the investment in cellular partnerships in 2013. Our opinion is not modified with respect to that matter.

Report on Supplementary Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The comparative balance sheets, statements of operations, and cash flows on pages 25 through 28, are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the financial statements as a whole.

Curtis Blakely & Co, P.C. Longview, Texas

March 8, 2014

CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED BALANCE SHEETS December 31

Assets

Current Assets:

Cash and cash equivalents
Certificates of deposit
Marketable securities
Telecommunications accounts receivable
Other receivables
Materials and supplies
Prepayments

Total Current Assets

Property, Plant, and Equipment:

Plant in service

Plant under construction

Total Property, Plant, and Equipment

Less: Accumulated depreciation

Net Property, Plant, and Equipment

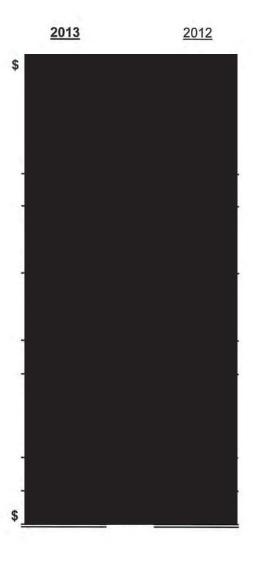
Investments and Other Assets:

Cellular investments Intangibles

Other assets

Total Investments and Other Assets

Total Assets



CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED BALANCE SHEETS December 31

Liabilities and Equity

Current Liabilities:

Accounts payable
Accrued income tax
Other accrued liabilities
Unearned revenue

Total Current Liabilities

Other Liabilities:

Deferred income tax
Accrued postretirement benefits

Total Other Liabilities

Equity:

Memberships
Retained margin
Patronage capital
Accumulated other comprehensive income:
Unrealized gain on marketable securities
Unrecognized postretirement benefit costs

Total Equity

Total Liabilities and Equity



CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED STATEMENTS OF OPERATIONS For the Years Ended December 31

Operating Revenues:

Local network services
Network access services
Long distance network services
Internet services
Miscellaneous
Uncollectibles
Total Operating Revenues

Operating Expenses:

Plant specific operations
Plant nonspecific operations
Depreciation and amortization
Customer operations
Corporate operations
Total Operating Expenses

Operating Taxes:

Other operating taxes
Total Operating Taxes

Operating Margin

Nonoperating Margin: Interest and dividend income Distributions from partnerships Other nonoperating expenses Income taxes

Total Nonoperating Margin

Net Margin



CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME For the Years Ended December 31

2012 2013 **Net Margin** Other Comprehensive Income: Unrealized holding gain (loss) arising during period Income tax Less: Reclassification adjustment for prior year unrealized (gains) losses Income Tax Total unrealized holding (loss) gain adjustment Postretirement benefit gain emerging Amounts reclassified from accumulated other comprehensive income Income tax Total Pension and Post-Retirement Benefit Adjustment Other Comprehensive Income

Comprehensive Income

CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED STATEMENTS OF CHANGES IN MEMBERS' EQUITY For the Years Ended December 31

Accumulated Other Retained Comprehensive Patronage Margin Capital Income **Total** Balance, January 1, 2012, as previously reported Prior period adjustment - change in accounting principle Balance, January 1, 2012, as restated Net margin Retirements and other changes Retained margin assigned Federal excise tax refund Other comprehensive income Balance, December 31, 2012 Net margin Retirements and other changes Federal excise tax refund Other comprehensive income

Balance, December 31, 2013

CUMBY TELEPHONE COOPERATIVE, INC. CONSOLIDATED STATEMENTS OF CASH FLOWS For the Years Ended December 31

2013 2012 Cash Flows from Operating Activities: Net margin Adjustments to reconcile net margin to net cash provided by operating activities: Depreciation Gain on sale of securities Amortization of premium Change in assets and liabilities: Accounts receivable Prepaids Accounts payable and accruals Deferred income tax **Total Adjustments** Net Cash Provided by Operating Activities Cash Flows from Investing Activities: Proceeds from sales of plant Capital expenditures (Investment in) proceeds from certificates of deposit Investment in marketable securities Proceeds from marketable securities Net Cash Used in Investing Activities Cash Flows from Financing Activities: Receipt of memberships Payment of capital credits Excise tax refund received Net Cash Used in Financing Activities Net Increase (Decrease) in Cash and Cash Equivalents

Cash and Cash Equivalents at Beginning of Year

Cash and Cash Equivalents at End of Year

Note 1 – Description of Operations and Summary of Significant Accounting Policies:		

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)		



Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)		

Note 1 – Description of Operations and Summary of Significant Accounting Policies: (continued)		
Note 2 – Marketable Securities and Other Cost Method Investments:		



Note 3 – Property, Plant, and Equipment:	



Note 5 – Accumulated Other Comprehensive Income: (continued)

Note 6 – Income Taxes:		

Note 7 – Employee Benefits: (continued)	

Note 7 – Employee Benefits: (continued)

Note 7 – Employee Benefits:	(continued)

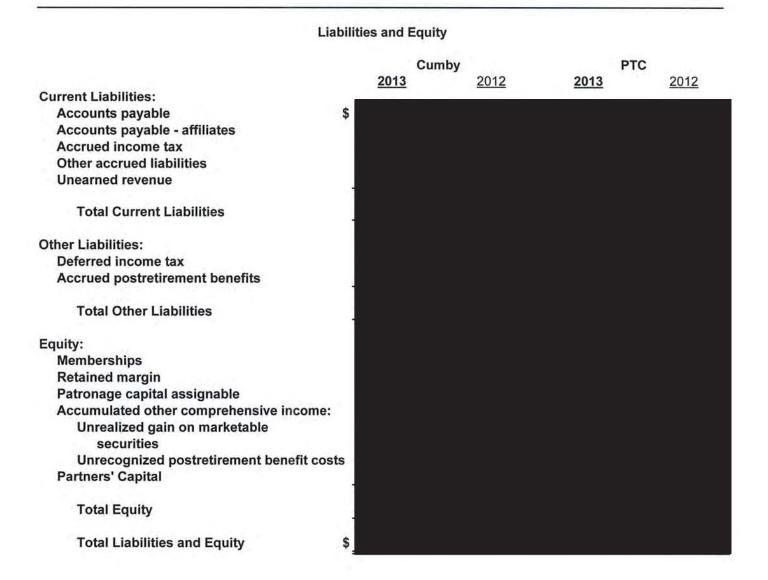
Note 9 – Concentrations: (continued)	
Note 10 – Fair Value Measurements:	
Note 11 – Subsequent Events:	
Note 12 – Change in Accounting Principle:	

SUPPLEMENTARY INFORMATION

CUMBY TELEPHONE COOPERATIVE, INC. COMPARATIVE BALANCE SHEETS December 31

Assets PTC Cumby 2013 2012 2013 2012 **Current Assets:** Cash and cash equivalents \$ Certificates of deposit Marketable securities Telecommunications accounts receivable Other receivables Materials and supplies **Prepayments** Accounts receivable - affiliates **Total Current Assets** Property, Plant, and Equipment: Plant in service Plant under construction Total Property, Plant, and Equipment Less: Accumulated depreciation Net Property, Plant, and Equipment **Investments and Other Assets:** Cellular investments Intangibles Investment in subsidiary Other assets **Total Investments and Other Assets Total Assets**

CUMBY TELEPHONE COOPERATIVE, INC. COMPARATIVE BALANCE SHEETS December 31



COMPARATIVE STATEMENTS OF OPERATIONS For the Years Ended December 31

PTC 2013 Cumby Total 2013 2012 Cumby CLEC 2013 2012 Cumby ILEC 4 Equity in net income of subsidiary Long distance network services Distributions from partnerships **Total Nonoperating Margin Total Operating Revenues Total Operating Expenses** Interest and dividend income Plant nonspecific operations Income tax (benefit) expense Other nonoperating expense **Total Operating Taxes** Network access services Plant specific operations Local network services Uncollectible expense Corporate operations Customer operations Operating (Loss) Margin Income tax expense Operating Expenses: Nonoperating Margin: Operating Revenues: Internet services Operating taxes Miscellaneous Operating Taxes: Depreciation Net Margin

CUMBY TELEPHONE COOPERATIVE, INC. COMPARATIVE STATEMENTS OF CASH FLOWS For the Years Ended December 31

Cumby PTC 2013 2012 2013 2012 Cash Flows from Operating Activities: Net margin Adjustments to reconcile net margin to net cash provided by operating activities: Depreciation and amortization Equity in net income of subsidiaries Distributions from subsidiaries Gain on sale of securities Amortization of premium Change in assets and liabilities: Accounts receivable Prepaids Accounts payable and accruals Deferred income tax **Total Adjustments** Net Cash Provided by Operating Activities Cash Flows from Investing Activities: Proceeds from sales of plant Capital expenditures Investment in marketable securities Proceeds from marketable securities Proceeds from (investments in) certificates of deposit Net Cash Used in Investing Activities Cash Flows from Financing Activities: Advances from (to) affiliate Receipt of memberships Payment of capital credits Excise tax refund received Dividends paid Net Cash (Used in) Provided by **Financing Activities** Net Increase (Decrease) in Cash and **Cash Equivalents** Cash and Cash Equivalents at Beginning of Year Cash and Cash Equivalents at End of Year